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U.S. AND CAMBODIA REACH BILATERAL TEXTILE AGREEMENT

The United States and Cambodia reached agreement today on a new bilateral textile agreement, announced United States Trade Representative Charlene Barshefsky. Ambassador Barshefsky applauded the new agreement, saying: "I am very pleased with this agreement. All of our critical objectives have been met: ensuring cooperation between the U.S. and Cambodia on a quota framework covering important product areas; increasing market access for U.S. exporters; preventing illegal transshipment; and obtaining Cambodia's commitment to improve labor rights and working conditions in this important sector."

The three-year agreement provides for specific quota levels on twelve apparel product categories from Cambodia, allowing import growth in the United States at orderly rates and within agreed parameters. Cambodia also has agreed to specific measures to improve cooperation and information sharing to prevent illegal textile transshipment. Under the market access provisions, Cambodia agreed to bind tariffs at applied rates and to reduce them over the term of the agreement, thereby increasing market access opportunities for U.S. exporters, while ensuring that non-tariff barriers are not applied in the textile and clothing sector. Finally, the agreement reflects Cambodia's commitment to improve labor conditions in this sector.

U.S. imports of textiles and apparel from Cambodia were 92.7 million square meters equivalent in the year ending October, 1998, valued at \$308 million. In the year ending October, 1998, imports of textiles and apparel from Cambodia increased by 305 percent.